REMARKS

This is in response to the Final Office Action dated October 16, 2007 in which claims 1-19, 22 and 25 rejected. Applicants respectfully request reconsideration and allowance of all pending claims in view of the above-amendments and the following remarks.

I. TELEPHONE INTERVIEW

Applicants' attorney would like to thank the Examiner for the courtesies extended during a telephone interview held on January 16, 2008 in which the amendments shown above were discussed in view of the Vynne reference. The amendments are directed to the embodiment shown in Applicants' FIG. 3, and the Examiner agreed that the amendments appear to distinguish over the prior art of record, including Vynne. However, the Examiner would need to give the amendments final consideration.

II. CLAIM AMENDMENTS - REQUEST FOR ENTRY

Applicants note that the Examiner indicates (in paragraph 12, labeled "Allowable Subject Matter") that, "there is a structural distinction between the examiner's interpretation of figures 3.1A and 3.2 of Vynne and applicant's disclosure of fig. 3 . . .."

Applicants would like to thank the examiner for the indicated allowable subject matter and have amended independent claims 1, 18 and 22 to include structural and/or method features shown in figure 3 of the present application.

Specifically, independent claims 1, 18, 22 and 25 are amended to further define that the reference space is "associated with a reference grid comprising a plurality of blocks, each block being partitioned into two zones of complementary types, one zone surrounding the other zone, each zone having a distinct binary value associated with it."

Support for this amendment can be found in the specification on page 31, lines 1-3 ("Each selected motion vector 31 is then placed on the grid, and block 30, as well as the zone Z1 or Z2 in which it is located is determined") and on Applicants' disclosure in figure 3.

Applicants believe the proposed amendments would not raise significant new issues since the amendments are directed to subject matter within the figure (figure 3) identified by the Examiner as being structurally different from the cited references.

Therefore, Applicants request that the proposed amendments be entered to place the claims in condition for allowance or better form for appeal.

III. CLAIM REJECTIONS UNDER §102(b)

Claims 1-7, 11-15, 17-24 were rejected under 35 U.S.C. §102 as being anticipated by Vynne et al., U.S. Patent No. 5,960,081.

Claim 1 has been amended to emphasize that the reference space comprises blocks, which are partitioned into two zones of complementary type, as suggested by the Examiner.

Firstly, the Applicant considers that the reference space shown in Figures 3.1A and 3.2 of Vynne comprises only two blocks (a shaded and an unshaded block), but neither of said two blocks is further partitioned into two types of zones, one zone surrounding the other zone, as shown in Figure 3 of the present invention.

Secondly, Vynne does not use the reference space to determine in which block and which zone of said block the motion vector is located, and, if necessary, modify the coordinates of the motion vector so that it is located in a zone of the block with a binary value corresponding to said watermarking bit to be inserted.

As a consequence, Vynne does not apply such reference grid for watermarking purposes of the motion vectors.

IV. CLAIM REJECTIONS UNDER §103 (a)

Claims 8 and 16 were rejected under 35 U.S.C. §103(a) as being unpatentable over Vynne et al. in view of Han et al., U.S. Patent No. 6,845,130.

Claims 9 and 10 were rejected under 35 U.S.C. §103(a) as being unpatentable over Vynne et al. in view of Han et al., U.S. Patent No. 6,845,130 and further in view of Vynne et al.

Claims 8, 9, 10 and 16 depend from independent claim 1 and are allowable with the allowance of claim 1.

Further, Han relates to the field of video data encoding, and more precisely to a method for encoding a variable-motion video data signal. The Han reference discloses a motion

estimation and compensation technique for video compression.

Han does not relate to the watermarking of images or sequences of images. Further, Han does not suggest the association of distinct binary values with each of two zones of complementary types, to adaptively search and select the insertion zone of the motion vector for watermarking. There is no motivation, teaching or suggestion in Han of a "reference space, partitioned into two zones of complementary types."

The Director is authorized to charge any fee deficiency required by this paper or credit any overpayment to Deposit Account No. 23-1123.

Respectfully submitted,
WESTMAN, CHAMPLIN & KELLY, P.A.

By: /David D. Brush/

David D. Brush, Reg. No. 34,557
900 Second Avenue South, Suite 1400
Minneapolis, Minnesota 55402-3319
Phone: (612) 334-3222 Fax: (612) 334-3312

DDB:tkj